

**ASSEMBLY BILL**

**No. 682**

**Introduced by Assembly Member Karnette**

February 17, 2005

---

An act to amend Sections 41505, 41505.5, and 41530 of, and to repeal Section 32228.6 of, the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 682, as introduced, Karnette. Education finance.

(1) Existing law establishes the School Safety and Violence Prevention Act, which is administered by the Superintendent of Public Instruction, to provide funds to school districts serving pupils in any of grades 8 to 12, inclusive, for the purpose of promoting school safety and reducing schoolsite violence. Existing law provides that this act shall become inoperative on July 1, 2005, and is repealed as of January 1, 2006.

This bill would delete those provisions containing those inoperative and repeal dates, thereby extending the operation of the program indefinitely.

(2) Existing law establishes the pupil retention block grant for the purposes of apportioning block grant funds, composed of funding from and for specified existing categorical education programs, to certain school districts.

This bill would require the appropriation in the annual Budget Act, for each fiscal year, to first be distributed to each school district in an amount equal to the funding received, as defined, for the programs in the 2003-04 fiscal year, adjusted for growth and cost of living. The bill would require a school district to maintain a level of effort, as provided, equal to its 2003-04 fiscal year offerings under the programs

to be eligible for full entitlement. The bill would require, for any fiscal year in which the appropriation exceeds claims by school districts, the remaining funds to be distributed according to a specified order of priority.

(3) Existing law establishes the professional development block grant which is composed of funding from, and for, specified existing categorical education programs. Existing law requires the Superintendent to apportion block grant funds to a school district based on the number of certificated teachers employed by the school district in the immediately prior fiscal year.

This bill would instead require the Superintendent to apportion block grant funds to a school district based on funding received, as defined, for the component programs in the 2003-04 fiscal year, as adjusted for enrollment growth and the cost of living. The bill would specify how this funding level is to be adjusted in subsequent fiscal years.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 32228.6 of the Education Code is  
2 repealed.

3 ~~32228.6. This article shall become inoperative on July 1,~~  
4 ~~2005, and, as of January 1, 2006, is repealed, unless a later~~  
5 ~~enacted statute that is enacted before January 1, 2006, deletes or~~  
6 ~~extends the dates on which it becomes inoperative and is~~  
7 ~~repealed.~~

8 SEC. 2. Section 41505 of the Education Code is amended to  
9 read:

10 41505. (a) There is hereby established the pupil retention  
11 block grant. Commencing with the 2005-06 fiscal year, the  
12 Superintendent of Public Instruction shall apportion block grant  
13 funds to a school district in the same relative statewide  
14 proportion that the school district received in the 2003-04 fiscal  
15 year for the programs listed in Section 41506.

16 (b) A school district may expend funds received pursuant to  
17 this article for any purpose authorized by the programs listed in  
18 Section 41506 as the statutes governing those programs read on  
19 January 1, 2004.

(c) (1) (A) For each fiscal year, the appropriation in the annual Budget Act for the purposes of this article shall first be distributed to each school district for the purposes of Section 41506 in an amount equal to the funding received for those programs in the 2003–04 fiscal year, adjusted for growth and cost of living.

(B) Notwithstanding subparagraph (A), a school district shall maintain a level of effort equal to their 2003–04 fiscal year offerings under the programs listed in Section 41506 to be eligible for the full entitlement.

(i) If a school district provides fewer hours of supplemental instruction than it did in the 2003–04 fiscal year, the allocation of the school district shall be reduced proportionately.

(ii) For the purposes of determining maintenance of effort, a school district may reduce its 2003–04 fiscal year base calculation of hours provided, by the amount of any funding deficit to particular programs.

(iii) Operation of any of the programs listed in Section 41506 shall count towards maintenance of effort.

(2) For any fiscal year in which the appropriation exceeds claims by school districts under paragraph (1), the remaining funds shall be distributed in order of the following priorities:

(A) First priority shall be to fund, on a prorated basis, additional hours of instruction provided for the programs listed in Section 41506, not to exceed the aggregate statutory cap of a school district for the four programs.

(B) Second priority shall be to restore prior year deficits in the pupil retention block grant.

(3) For purposes of this subdivision, “funding received” for a particular fiscal year shall, because of circumstances including deferrals and deficits, mean the funding attributable for a particular year regardless of actual date of receipt.

(d) For the purposes of this article, “school district” includes a county office of education if county offices of education are eligible to receive funds for the programs that are listed in Section 41506. The block grant of a county office of education shall be based only on those programs for which it was eligible to receive funds in the 2003–04 fiscal year.

SEC. 3. Section 41505.5 of the Education Code is amended to read:

1 41505.5. (a) The department shall make an initial allocation  
2 of funds to each local educational agency eligible for funding  
3 pursuant to this article. This initial allocation shall be 75 percent  
4 of the allocation for each local educational agency that is  
5 determined pursuant to Section 41505. The remaining portion of  
6 each district's allocation shall be made only after supplemental  
7 instruction provided under Sections 37252 and 37252.2 is fully  
8 funded as required pursuant to Section 42239. If the  
9 Superintendent of ~~Public Instruction~~ notifies the Director of  
10 Finance pursuant to paragraph (4) subdivision (c) of Section  
11 42239 that there is a deficiency of funding for purposes of  
12 Sections 37252 and 37252.2, the Controller shall transfer from  
13 funding provided for purposes of this article any amounts needed  
14 to fully fund supplemental instruction provided under Sections  
15 37252 and 37252.2. The transfer of funds pursuant to this section  
16 shall be to the item or items in the annual Budget Act that  
17 appropriate funds for supplemental instruction provided under  
18 Sections 37252 and 37252.2. If the amount of funds remaining  
19 after the initial 75 percent allocation is insufficient in any year to  
20 fully fund supplemental instruction provided pursuant to Sections  
21 37252 and 37252.2, the amount of the remaining insufficiency  
22 shall be deducted from funds appropriated for purposes of this  
23 article for the subsequent fiscal year.

24 (b) *It is the intent of the Legislature to appropriate funding*  
25 *sufficient to fully maintain this grant program.*

26 SEC. 4. Section 41530 of the Education Code is amended to  
27 read:

28 41530. (a) There is hereby established the professional  
29 development block grant. Commencing with the 2005–06 fiscal  
30 year, the Superintendent of ~~Public Instruction~~ shall apportion  
31 block grant funds to a school district based on ~~the number of~~  
32 ~~certificated teachers employed by the school district in the~~  
33 ~~immediately prior fiscal year~~ *funding received for the component*  
34 *programs in the 2003-04 fiscal year, as adjusted for enrollment*  
35 *growth and cost of living. This funding level shall be adjusted for*  
36 *the 2006-07 fiscal year and each fiscal year thereafter by the*  
37 *change in the number of certificated teachers employed by the*  
38 *school district between the second-prior year and the prior year.*  
39 *If a school district experienced a significant decrease in*  
40 *utilization of staff development in the 2003-04 fiscal year, the*

base funding level may be adjusted upon approval of the Superintendent and the Director of Finance to a level equal to 95 percent of the average of utilization levels of the 2002-03 and 2004-05 fiscal years. For the purposes of this subdivision, “funding received” for a particular fiscal year shall, because of circumstances including deferrals and deficits, mean the funding attributable for a particular year regardless of actual date of receipt.

(b) A school district may expend funds received pursuant to this article for any purpose authorized by the programs listed in Section 41531, as the statutes governing those programs read on January 1, 2004, if the school district provides each teacher of kindergarten or any of grades 1 to 6, inclusive, with opportunities to participate in professional development activities in reading language arts/English language development. In providing teachers of kindergarten and any of grades 1 to 6, inclusive, with opportunities to participate in professional development activities in reading language arts/English language development, a school district shall expend at least an amount that is equal to the proportion that funding calculated pursuant to Article 3 (commencing with Section 99230) of Chapter 5 of Part 65 bears to the statewide total amount of block grant funds appropriated for purposes of this article. For purposes of this article, professional development in reading language arts/English language development shall be equivalent in rigor to the professional development provided pursuant to Article 3 (commencing with Section 99230) of Chapter 5 of Part 65, as that article read on January 1, 2004.

(c) For the purposes of this article, “school district” includes a county office of education if county offices of education are eligible to receive funds for the programs that are listed in Section 41531. The block grant of a county office of education shall be based only on those programs for which it was eligible to receive funds in the 2003–04 fiscal year.